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In The

Supreme Court of the United States

October Term, 1959

No. 212

Mass Communicators, Inc.,
Petitioner

v.

Federal Communications Commission,
Respondent

PETITION FOR A WRIT OF CERTIORARI TO THE UNITED STATES COURT OF APPEALS FOR THE DISTRICT OF COLUMBIA CIRCUIT

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INDEX

	PAGE
Opinions Below	1
Jurisdiction	2
Questions Presented	2
Statutes and Regulations Involved	2
Statement of the Case	3
Reasons for Granting the Writ	5
Conclusion	9
Appendix A—Judgment below	
B—Opinion below	
C—Statutes and regulations involved	

Table of Authorities

Cases:

Ashbacker Radio Corp. v. Federal Communications Commission, 326 U.S. 327 8

Easton Publishing Co. v. Federal Communications Commission, 87 U.S. App. D.C. 344, 185 F.2d 987 8

Statutes:

Communications Act of 1934, as amended by Communications Act Amendments, 1952, approved July 16, 1952, c. 879, 66 Stat. 711

§ 308 (66 Stat. 714, 47 U.S.C. 308) 3, 8

§ 309 (66 Stat. 715, 47 U.S.C. 309) 3, 8

§ 319 (66 Stat. 718, 47 U.S.C. 319, and a further amendment approved March 26, 1954, c. 111, 68 Stat. 35, 47 U.S.C. 319(b)) 3, 5, 8

PAGE

Regulations:

Federal Communications Commission Rules and Regulations

§ 1.313 (47 C.F.R. 35, 1 Pike & Fischer R.R. 51:196) 3, 6
§ 1.314 (47 C.F.R. 35, 1 Pike & Fischer R.R. 51:196) 3, 6
§ 1.322 (47 C.F.R. 35, 1 Pike & Fischer R.R. 51:197) 3, 4
§ 1.323 (47 C.F.R. 36, 1 Pike & Fischer R.R. 51:197, 198) 3, 4
§ 1.361 (47 C.F.R. 47, 1 Pike & Fischer R.R. 51:251) 3, 8

IN THE

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OCTOBER TERM, 1959

No. .....

MASS COMMUNICATORS, INC.,
Petitioner

v.

FEDERAL COMMUNICATIONS COMMISSION,
Respondent

PETITION FOR A WRIT OF CERTIORARI TO THE UNITED STATES COURT OF APPEALS FOR THE DISTRICT OF COLUMBIA CIRCUIT

Mass Communicators, Inc. prays that a writ of certiorari issue to review the judgment of the United States Court of Appeals for the District of Columbia Circuit, entered in the above-entitled case on April 16, 1959 (Appendix A, *infra*).

Opinions Below

The memorandum opinion and order of the Federal Communications Commission is reported unofficially at 17 Pike & Fischer R.R. 572 and is reprinted as part of the record herein (R. 148). The opinion of the United States Court of Appeals for the District of Columbia Circuit is not yet reported, but is reprinted as Appendix B, *infra*.

Jurisdiction

The subject judgment of the Court of Appeals was entered on April 16, 1959 (Appendix A, *infra*). The jurisdiction of this Court is invoked under 28 U.S.C. 1254 (1) and 47 U.S.C. 402(j).

Questions Presented

Where a broadcasting station construction permit is granted by the Federal Communications Commission and subsequently expires, where a new applicant then files an application for a construction permit for the same facilities, and where the former permittee thereafter files an application for a construction permit to replace the expired permit:

1. Does the Commission have the power to grant the former permittee a new permit in place of the expired permit when the Commission cannot make the finding specified in the applicable statute, viz., that completion of the construction within the time prescribed was prevented by causes not under the control of the grantee?

2. May the Commission summarily return the new application and grant the replacement application or is it required to hold a comparative hearing to determine which of the two mutually exclusive applications should be granted?

3. Where the Commission has before it serious unresolved questions bearing upon the qualifications of the applicant, may it grant an application for a construction permit to replace an expired permit while holding those questions for consideration and disposition in a proceeding to be conducted later?

Statutes and Regulations Involved

The statutory provisions involved are contained within Sections 308, 309, and 319 of the Communications Act of

1934, as amended by Communications Act Amendments, 1952, approved July 16, 1952, c. 879, 66 Stat. 714, 715, 718, 47 U.S.C. 308, 309, 319, and a further amendment approved March 26, 1954, c. 111, 68 Stat. 35, 47 U.S.C. 319(b). The pertinent regulations are Federal Communications Commission Rules and Regulations, Sections 1.313, 1.314, 1.322, all at 47 C.F.R. 35, Section 1.323, at 47 C.F.R. 36, and Section 1.361, at 47 C.F.R. 47. The aforesaid statutory provisions and regulations are set forth in Appendix C, *infra*.

Statement of the Case

The Federal Communications Commission is authorized by statute to grant a construction permit for a broadcasting station if it can find that the applicant is qualified and that the public interest, convenience and necessity would be served thereby.[1] Upon completion of the authorized construction the permittee may apply for and the Commission may grant a regular license for the operation of the station.[2] Regarding the original construction permit, however, the Congress provided:

> "Such permit for construction shall show specifically the earliest and latest dates between which the actual operation of such station is expected to begin, and shall provide that said permit will be automatically forfeited if the station is not ready for operation within the time specified or within such further time as the Commission may allow, unless prevented by causes not under the control of the grantee."[3]

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[1] Communications Act of 1934, as amended, Sections 308, 309, 319(a) (Appendix C, *infra*, p. 1)

[2] Communications Act of 1934, as amended, Section 319(c) (Appendix C, *infra*, p. 1).

[3] Communications Act of 1934, as amended, Section 319(b) (Appendix C, *infra*, p. 1).

On March 20, 1957 the Commission granted an application of one Jane A. Roberts on a Form 301[4] for a construction permit for a new standard broadcast station at Cedar Falls, Iowa (R. 1-4). The permit specified November 20, 1957 as the date for the completion of the construction. By the specified date, Mrs. Roberts had not completed the construction, nor had she availed herself of the opportunity to file an application on Form 701[5] for additional time to complete construction. Accordingly, the permit expired by its terms on November 20, 1957. Twenty-three days later, on December 13, 1957, this petitioner filed an application on Form 301 for a construction permit for a new standard broadcast station, proposing identical facilities. Ten days thereafter, on December 23, 1957, Mrs. Roberts filed an application on Form 321 for a construction permit to replace the expired permit (R. 7). On January 3, 1958, the petitioner brought to the Commission's attention a number of facts giving rise to questions as to the qualifications of Mrs. Roberts (R. 11-20). That these were serious questions is not disputed.

On January 17, 1958, the Commission acted on the two applications before it. It granted the Form 321 application of Mrs. Roberts (R. 23), thereby awarding her a construction permit to replace the expired permit,[6] and

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[4] Federal Communications Commission Rules and Regulations, Section 1.322(a)(1) (Appendix C, *infra*, p. 2).

[5] Federal Communications Commission Rules and Regulations, Section 1.323(a) (Appendix C, *infra*, p. 2).

[6] The Commission subsequently sought to resolve the pending qualifications questions by ordering a hearing on the later application of Mrs. Roberts for a license to cover the construction permit. A Commission Hearing Examiner has since issued an Initial Decision looking toward a denial of that license application (and, *a fortiori*, revocation of the construction permit) in light of determinations made under issues growing out of those questions. FCC 59D-55, released May 28, 1959, Docket No. 12597. This petitioner hastens to acknowledge that the instant petition

it summarily returned the Form 301 application of the petitioner (R. 155-A). The petitioner thereupon filed with the Commission a petition for reconsideration, again tendering its Form 301 application (R. 107-124). The Commission denied the petition for reconsideration and again returned the petitioner's application (R. 148-154, 157). On this occasion the Commission expressly acknowledged that there was no basis for a finding that completion of the authorized construction within the time prescribed was prevented by causes not under the control of Mrs. Roberts (R. 152). There followed an appeal to the United States Court of Appeals for the District of Columbia Circuit.

On April 16, 1959, a panel of the Court of Appeals, by a 2-1 division, affirmed the Commission (Appendix B, *infra*).

Reasons for Granting the Writ

I.

Section 319(b) of the Communications Act (Appendix C, *infra*, p. 1) has been federal law since its provisions were first enacted as part of the Radio Act of 1927 (approved February 23, 1957, c. 169, Sec. 21, 44 Stat. 1170, U.S.C., Title 47, Sec. 101). Its scope is as wide as the title within which it is now contained ("Title III—Provisions Relating to Radio") for it applies, with limited exceptions, to every construction permit which the Commission grants for a new radio transmitting station or for changes in the facilities of an existing station. Such grants number in the tens of thousands every year, and they concern radio facilities in every part of the nation. Although its scope and applicability have

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for a writ of certiorari would be rendered moot if the said license application is ultimately and finally denied and the construction permit is revoked. Should these events occur the petitioner will inform the Court promptly.

that much importance, the language of the statute is not entirely clear, the meaning of its words and phrases is not perfectly plain, as is indicated by the controversy engendered herein and by the division of opinion among the Judges of the Court of Appeals. This case presents the first opportunity for scrutiny of Section 319(b) by the courts, and for a judicial determination of the meaning and the effect of the root of the statute, the provision for automatic forfeiture of construction permits which have been allowed to expire. The petitioner asserts, therefore, that there are here presented questions of fundamental importance to the administration of the Communications Act which have not been, but should be, settled by this Court.

Petitioner also asserts that the statute ought not to be left with the construction given it by the Court below because the reasonableness of that construction is patently questionable, and because that construction would lead to some confusion.

Petitioner contends that the statute simply provides that a construction permit which has been allowed to expire is automatically forfeited as of the expiration date,[7] and that the Commission has no power to prevent or to undo the forfeiture unless it can find that completion of construction before the expiration date was prevented by causes beyond the control of the permitee. The Court below held to the contrary in the following words:

> "It is clear that an expiration of a permit was by no means to be considered an automatic forfeiture of the permit. Only if the Commission did not exercise its discretion in extending the time within which the facilities were to be constructed, either by an actual extension . . . or by a grant of a new permit

[7] See Federal Communications Commission Rules and Regulations, Sections 1.313 and 1.314 (Appendix C, *infra*, p. 2).

to replace the expired permit . . . was there to be an automatic forfeiture.

"Since no automatic forfeiture occurs unless and until the Commission has exercised its discretion . . ." (Appendix B, *infra*, p. 6).

Petitioner asserts that this reasoning is questionable on its face. Can there be reason or logic in a holding that the Commission has *discretion* to prevent an *automatic* forfeiture? Is it proper to equate an extension of an outstanding unexpired permit with a grant of a new permit to replace an expired permit? What is most significant, may the Court below endow the Commission with the power to prevent a forfeiture in every circumstance (except outright abandonment) notwithstanding that the statute makes clear the intent of Congress that there should be at least some circumstances in which a permit would be forfeited "automatically", i.e., beyond the power of anyone to prevent it?

The construction given to Section 319(b) by the Court below will lead to confusion in that the applicant seeking replacement of an expired permit will not know what standard it is expected to meet. Must it show that the expiration occurred by virtue of causes beyond its control, as the statute specifices, or will some lesser showing be sufficient? The Court below appears to hold that either the statutory standard or a lesser one may be applied (Appendix B, *infra*, pp. 3-4), but is it reasonable to suppose that the Congress purposefully imposed the higher standard, then, in the same stroke, authorized the Commission to apply a lower standard in its discretion? Even if so, how is one to know when the higher standard is applicable, and when a lesser one?

II.

Assuming, *arguendo*, that it was within the Commission's power under Section 319(b) to grant the Form 321 application of Mrs. Roberts (for a new construction

permit to replace the expired permit), the question is then presented whether the Court below has permitted an exercise of that power in contravention of the doctrine established by the landmark decision of this Court in the *Ashbacker* case,[8] and in derogation of the right to a hearing which accrued to this petitioner under that doctrine. In *Ashbacker* the Court held that, having two mutually exclusive applications before it, the Commission is required to hold a comparative hearing before it is free to grant either of them. The Commission has acted accordingly from that time forward,[9] but held that it was not obliged to do so in this case. The applicability of the *Ashbacker* doctrine to the mutually exclusive applications of the petitioner and Mrs. Roberts—is another important question of federal law which should be settled by this Court.

III.

The Commission is authorized to grant construction permits only if it can reach the determination that the public interest, convenience and necessity would be served thereby.[10] An integral element in that determination is a finding that the applicant is qualified in various specified respects.[11] It is not disputed that all such findings are indispensable prerequisites to a grant. In *Easton Publishing Co.* v. *Federal Communications Commission*, 87 U.S. App. D.C. 344, 185 F.2d 987, the Court below made reference to:

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[8] Ashbacker Radio Corp. v. Federal Communications Commission, 326 U.S. 327.

[9] See Federal Communications Commission Rules and Regulations, Section 1.361 (Appendix C, *infra*, p. 3).

[10] Communications Act of 1934, as amended, Sections 308, 309 (Appendix C, *infra*, p. 1).

[11] Communications Act of 1934, as amended, Section 319(a) (Appendix C, *infra*, p. 1).

". . . the Commission's duty to award applications for construction permits in satisfaction of public convenience, interest or necessity *at the time of the award.*" *Id.* at 348, 185 F.2d at 991 (Emphasis added).

Petitioner believes the instant case involves the first occasion on which the Commission has presumed to grant any form of application for a construction permit without first disposing of pending questions bearing upon the qualifications of the applicant. The Court below has sanctioned this action, but without adequate explanation (Appendix B, *infra*, pp. 7-8). So novel and radical a departure from a fundamental requirement of the Communications Act ought not to be sanctioned without review by this Court.

CONCLUSION

For the foregoing reasons, this petition for a writ of certiorari should be granted.

Respectfully submitted,

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July 10, 1959.

APPENDIX A

Filed Apr. 16, 1959, JOSEPH W. STEWART, Clerk.

UNITED STATES COURT OF APPEALS
FOR THE DISTRICT OF COLUMBIA CIRCUIT
SEPTEMBER TERM, 1958

No. 14,630

MASS COMMUNICATORS, INC., APPELLANT,

v.

FEDERAL COMMUNICATIONS COMMISSION, APPELLEE,
JANE A. ROBERTS, Permittee of Radio Station KCFI,
Cedar Falls, Iowa, INTERVENOR.

On Appeal from the Federal Communications Commission

Before WILBUR K. MILLER, WASHINGTON and DANAHER, Circuit Judges.

JUDGMENT

This case came on to be heard on the record from the Federal Communications Commission, and was argued by counsel.

ON CONSIDERATION WHEREOF, it is ordered and adjudged by this court that the orders of the Federal Communications Commission on appeal in this case are affirmed.

Per Circuit Judge WASHINGTON.

Dated: Apr. 16, 1959.

Circuit Judge WILBUR K. MILLER dissents.

APPENDIX B

UNITED STATES COURT OF APPEALS
FOR THE DISTRICT OF COLUMBIA CIRCUIT

No. 14,630

MASS COMMUNICATORS, INC., APPELLANT,

v.

FEDERAL COMMUNICATIONS COMMISSION, APPELLEE,
JANE A. ROBERTS, Permittee of Radio Station KCFI, Cedar Falls, Iowa, INTERVENOR.

On Appeal from the Federal Communications Commission

Decided April 16, 1959

Mr. Seymour M. Chase for appellant.

Mr. Richard M. Zwolinski, Counsel, Federal Communications Commission, with whom *Messrs. John L. Fitzgerald* General Counsel, Federal Communications Commission, and *Richard A. Solomon*, Assistant General Counsel, Federal Communications Commission at the time the brief was filed, were on the brief, for appellee. *Mr. Mark E. Fields*, Counsel, Federal Communications Commission, also entered an appearance for appellee.

Mr. Harry J. Daly, with whom *Mrs. Lenore G. Ehrig* was on the brief, for intervenor.

Before WILBUR K. MILLER, WASHINGTON and DANAHER, Circuit Judges.

WASHINGTON, *Circuit Judge*: The issue in the present case is whether the Federal Communications Commission is required under the doctrine of *Ashbacker Radio Corp. v. Federal Communications Commission*, 326 U.S. 327 (1945), to hold a comparative hearing as between the applications made to it by appellant on the one hand and the intervenor (Mrs. Jane A. Roberts) on the other. The facts may be briefly stated.

On March 20, 1957, the Commission granted the application of Mrs. Roberts for a construction permit for a new standard broadcast station at Cedar Falls, Iowa. The permit specified November 20, 1957, as the date for the completion of construction. By the specified date, Mrs. Roberts had not completed the construction, nor had she filed an application on Form 701 for additional time to complete construction. See Communications Act of 1934, § 319(b), 48 Stat. 1089, as amended, 47 U.S.C. § 319 (b) (Supp. V, 1958); 47 C.F.R. § 1.323(a) (1958). Accordingly, the permit expired by its terms on November 20, 1957. Twenty-three days later, on December 13, 1957, the appellant, Mass Communicators, Inc., filed an application on Form 301 for a construction permit for a new standard station, proposing the same facilities. See Communications Act of 1934, §§ 308-09, 48 Stat. 1084-85, as amended, 47 U.S.C. §§ 308-09 (1952, Supp. V, 1958); 47 C.F.R. § 1.322(a)(4) (1958). Ten days thereafter, on December 23, 1957, Mrs. Roberts filed an application on Form 321 for a construction permit to replace the expired permit. See Section 319(b) of the Act; 47 C.F.R. § 1.323 (b) (1958).

The Commission found that although Mrs. Roberts had not been prevented from completing construction by causes outside of her control, she nevertheless had displayed a degree of due diligence in carrying on the construction, and that in fact the work had been substantially completed by November 20, 1957. The Commission therefore granted her Form 321 application and,

without hearing, returned the appellant's Form 301 application, stating in essence that it had exercised its discretion to replace Mrs. Roberts' expired construction permit, even though she had filed her Form 321 application more than thirty days after the expiration date. See *ibid.*

The appellant thereupon filed with the Commission a petition for reconsideration of its actions, again tendering its Form 301 application. In the petition, the appellant averred that, according to the terms of Section 319 (b) of the Act, there had been an automatic forfeiture of the intervenor's construction permit on the date of its expiration, and that therefore the Commission had before it two conflicting and mutually exclusive applications, one pursuant to Sections 308-309, and the other pursuant to Section 319(b) of the Act. Appellant took the position that the Commission was obliged under the *Ashbacker* doctrine to hold a comparative hearing on the two applications. The Commission denied the petition for reconsideration and returned the appellant's application. This appeal followed.

Section 319(b) of the Communications Act provides:

> "(b) Such permit for construction shall show specifically the earliest and latest dates between which the actual operation of such station is expected to begin, and shall provide that said permit will be automatically forfeited if the station is not ready for operation within the time specified or within such further time as the Commission may allow, unless prevented by causes not under the control of the grantee."

The permit is thus required to provide for automatic forfeiture "if the station is not ready for operation within the time specified," subject, however, to two important avenues by which forfeiture may be avoided. If the Commission finds that the construction of the station facilities had not been completed by the specified time because

of "causes not under the control of the grantee," the Commission cannot declare an automatic forfeiture of the permit. Cf. *Richmond Development Corp.* v. *Federal Radio Commission*, 59 App.D.C. 113, 35 F.2d 883 (1929) (holding under Section 21 of the Radio Act of 1927, ch. 169, 44 Stat., pt. 2, at 1171, the counterpart of present Section 319(b)). If, on the other hand, the causes for delay of construction are within the control of the grantee, the Commission is given the power to exercise its discretion and allow further time for construction. An automatic forfeiture of the permit then occurs only "if the station is not ready for operation . . . within such further time as the Commission may allow . . . ."

While over the years the Commission has established varying procedures for the consideration of requests for granting further time for construction, its course of decision seems to us to have been consistent with the statutory plan. Prior to 1947, the Commission's regulations only provided for a Form 701 application for the extension of time within which a station could be constructed. FCC Rules and Regulations § 3.215(b), 10 FED.REG. 2006 (1945) [now 47 C.F.R. § 1.323(a) (1958)]. Under the regulation, the application had to be filed "at least 30 days prior to the expiration date of [the construction] permit." Applications were also accepted if filed within less than thirty days prior to the expiration date upon a showing satisfactory to the Commission of sufficient reasons for late filing. In both circumstances, the Commission granted the extension "upon a specific and detailed showing that the failure to complete was due to causes not under the control of the grantee, or upon a specific and detailed showing of other matters sufficient to justify the extension."

In 1947, the problem arose as to what discretionary power the Commission had when a Form 701 application was filed after the expiration date of the original construction permit. The Commission held that even in this situation no automatic forfeiture takes place unless and

until the Commission refuses to exercise its discretion to allow additional time for construction. *Bremer Broadcasting Corp.*, 3 PIKE & FISCHER R.R. 1579 (1947) (hereinafter cited as R.R.). As the Commission stated:

> "Clearly, the statute confers on the Commission the discretionary power to allow additional time for construction. Moreover, the statute contains no requirement that this power be exercised by the Commission only upon application filed prior to the completion date specified in the permit." *Id.* at 1582.

The Commission thus made plain its view that although the regulations specified that applications for renewal be filed either thirty days prior to the expiration date or at least within the thirty-day period prior to the expiration date, such specification did not exhaust the statutory grant of power in Section 319(b) of the Act.

Ten days after the *Bremer* decision, the Commission promulgated a new regulation concerning expired construction permits. Once a permit had expired, the applicant was now required to make an application on FCC Form 321 for a new construction permit to replace the expired permit. Rules and Regulations § 1.314(c), 12 FED.REG. 7080 (1947) [now 47 C.F.R. § 1.323(b) (1958)]. The new procedure would now make impossible a filing on Form 701 after the original permit had expired, as was done in *Bremer*, but clearly the new regulation was not intended to change or renounce the statutory power of the Commission in exercising its discretion. As was stated in *Christian County Broadcasting Co.*, 6 R.R. 849, 850 n. 2 (1950):

> "The fact that the request of Christian County . . . was filed on Form 321, 'Application for Construction Permit to Replace Expired Permit,' whereas in the Bremer case the request was made on Form 701, 'Application for Additional Time to Construct Radio Station,' is immaterial, since both seek additional time in which to complete construction." Accord, *WJAB, Inc.*, 13 R.R. 461 (1956).

Thus, the new regulation presumably was to make explicit what the statute itself already allowed. It is clear then that an expiration of a permit was by no means to be considered an automatic forfeiture of the permit. Only if the Commission did not exercise its discretion in extending the time within which the facilities were to be constructed, either by an actual extension under Section 1.314(b) of the regulations (Form 701), or by a grant of a new permit to replace the expired permit under Section 1.314 (c) (Form 321), was there to be an automatic forfeiture.

Since no automatic forfeiture occurs unless and until the Commission has exercised its discretion, the *Ashbacker* doctrine has never been applied to a Section 319 (b) application. Thus a Form 301 application for a construction permit has never been allowed a comparative hearing with a Form 701 application for an extension of time to complete construction when the Form 701 application was filed prior to the expiration date of the old permit. See, *e.g.*, *United Detroit Theatres Corp.* v. *Federal Communications Commission*, 85 U.S.App.D.C. 238, 178 F.2d 700 (1949); *New England Theatres, Inc.*, 4 R.R. 1194 (1949); *Lacy-Potter Television Broadcasting Co.*, 4 R.R. 893 (1948); *Don Lee Broadcasting System*, 4 R.R. 100 (1948). Similarly no comparative hearing has been allowed when the Form 701 application was filed after the expiration date of the original permit. See *Bremer Broadcasting Corp., supra*. Nor has a comparative hearing been allowed when a Form 321 application was filed for a replacement permit. See *WJAB, Inc. supra*; *Christian County Broadcasting Co., supra*. Presumably the rationale behind all these decisions is that the two applications presented cannot be considered to be "mutually exclusive" applications for "an available frequency," see *Ashbacker Radio Corp.* v. *Federal Communications Commission, supra*, 326 U.S. at 333, for the frequencies in effect are not "available" in the *Ashbacker* sense; nor

can they become "available" until there occurs an actual forfeiture, either by an abandonment of the permit by the original permittee or by an adverse—and valid—administrative action by the Federal Communications Commission.

In the present case, there is an added difficulty. The regulation now in force requires that a Form 321 application be filed "within 30 days of the expiration date of the authorization sought to be replaced." 47 C.F.R. § 1.323(b) (1958). The intervenor in the case at bar filed her Form 321 application thirty-three days after the expiration of the original permit. Nevertheless, the Commission satisfied itself that there had been sufficient extenuating circumstances so as to allow it to grant additional time. Its action here is comparable to the Commission's action in the *Bremer* case in which a Form 301 application was allowed to be filed after the expiration date. Here, as there, the regulations require that the discretionary power of the Commission be exercised upon the application filed only prior to the date or time period specified. But the regulations cannot be read to limit the statutory grant of power under Section 319(b). One of the major purposes of the section is to allow the Commission to exercise its discretion before an automatic forfeiture takes place. Under the circumstances of the present case, where the Commission's discretion has been exercised to prevent a forfeiture, there can be no basis for applying the *Ashbacker* doctrine.

Appellant also contends that because it raised questions as to the intervenor's fitness to operate the station, the Commission should have considered and resolved those questions in a hearing prior to the granting of intervenor's application for a construction permit on Form 321. Instead, the Commission granted the latter application and postponed the questions raised concerning intervenor's fitness until the holding of a hearing—which the Commission ordered—on intervenor's application for

license to operate. We do not think this exceeded the Commission's powers, or abused its discretion. Compare Section 319(c) with Section 319(b); see also Section 312. We do not reach the other contentions of the parties.

The orders of the Commission will accordingly be

Affirmed.

WILBUR K. MILLER, *Circuit Judge*, dissents.

APPENDIX C

Statutes and Regulations Involved

1. Communications Act of 1934, as amended

"§ 308. (a) The Commission may grant construction permits and station licenses, or modifications or renewals thereof, only upon written application therefor received by it . . .

"(b) All applications for station licenses, or modifications or renewals thereof, shall set forth such facts as the Commission by regulation may prescribe as to the citizenship, character, and financial, technical, and other qualifications of the applicant to operate the station . . ." (Communications Act Amendments, 1952, approved July 16, 1952, c. 879, Section 6, 66 Stat. 714, 47 U.S.C. 308).

"§ 309. (a) If upon examination of any application provided for in section 308 of this title the Commission shall find that public interest, convenience, and necessity would be served by the granting thereof, it shall grant such application." (Communications Act Amendments, 1952, approved July 16, 1952, c. 879, Section 7, 66 Stat. 715, 47 U.S.C. 309).

"§ 319. (a) No license shall be issued under the authority of this chapter for the operation of any station . . . unless a permit for its construction has been granted by the Commission. The application for a construction permit shall set forth such facts as the Commission by regulation may prescribe as to the citizenship, character, and the financial, technical, and other ability of the applicant to construct and operate the station . . .

"(b) Such permit for construction shall show specifically the earliest and latest dates between which the actual operation of such station is expected to begin, and shall provide that said permit will be automatically forfeited if the station is not ready for operation within the time specified or within such further time as the Commission may allow, unless prevented by causes not under the control of the grantee.

"(c) Upon the completion of any station for the construction or continued construction of which a permit has been granted, and upon it being made to appear to the Commission that all the terms, conditions, and obligations set forth in the application and permit have been fully met . . . the Commission shall issue a license to the lawful holder of said permit for the operation of said station . . ." (Communications Act Amendments, 1952, approved July 16, 1952, c. 879, Section 13, 66 Stat. 718, 47 U.S.C. 319, and a further amendment approved March 26, 1954, c. 111, 68 Stat. 35, 47 U.S.C. 319(b)).

2. Federal Communications Commission, Rules and Regulations

"§ 1.313 *Forfeiture of construction permit.*—A construction permit shall be automatically forfeited if the station is not ready for operation within the time specified therein or within such further time as the Commission may have allowed for completion, and a notation of the forfeiture of any construction permit under this provision will be placed in the records of the Commission as of the expiration date." (47 C.F.R. 35, 1 Pike & Fischer R.R. 51:196).

"§ 1.314 *Period of Construction.*—Each construction permit will specify a maximum of 60 days from the date of granting thereof as the time within which construction of the station shall begin and a maximum of 6 months thereafter as the time within which construction shall be completed and the station ready for operation, unless otherwise determined by the Commission upon proper showing in any particular case." (47 C.F.R. 35, 1 Pike & Fischer R.R. 51:196).

"§ 1.322 *Application forms for authority to construct a new station . . .* —(a) Applications for new facilities . . . shall be made on the following forms:

(1) FCC Form 301 'Application for Authority to Construct a New Broadcast Station or Make Changes in an Existing Broadcast Station'." (47 C.F.R. 35, 1 Pike & Fischer R.R. 51:197).

"§ 1.323 *Application for extension of construction permit or for construction permit to replace expired construction permit.*—(a) Application for extension of time within which to construct a station shall be filed on FCC Form 701. The application shall be filed at least 30 days prior to the expiration date of the construction permit if the facts supporting such application for extension are known to the applicant in time to permit such filing. In other cases, an application will be accepted upon a showing satisfactory to the Commission of sufficient reasons for filing within less than 30 days prior to the expiration date. Such applications will be granted upon a specific and detailed showing that the failure to complete was due to causes not under the control of the grantee, or upon a specific and detailed showing of other matters sufficient to justify the extension.

"(b) Application to replace an expired construction permit shall be made on FCC Form 321 'Application for Construction Permit to Replace Expired Permit'. Such application must be filed within 30 days of the expiration date of the authorization sought to be replaced." (47 C.F.R. 36, 1 Pike & Fischer R.R. 51:197, 198).

"§ 1.361 *Grants without hearing of authorizations other than licenses pursuant to construction permit* . . . —(a) An application for an instrument of authorization, other than a license pursuant to a construction permit, will be granted without hearing where: . . . (2) there is not pending a mutually exclusive application . . ." (47 C.F.R. 47, 1 Pike & Fischer R.R. 51:251).